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# Wages rose 0.1% in September as economy slowed

Media Release

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**i** Source: [Wage Price Index, Australia, September 2020](#)

The seasonally adjusted Wage Price Index (WPI) rose 0.1 per cent in September quarter 2020 and slowed to 1.4 per cent through the year, according to figures released today by the Australian Bureau of Statistics (ABS).

Andrew Tomadini, Head of Price Statistics at the ABS said "The September quarter is generally a quarter of solid wage growth, however, the impacts of the COVID-19 pandemic contributed to a subdued rate of wage growth in September quarter 2020.

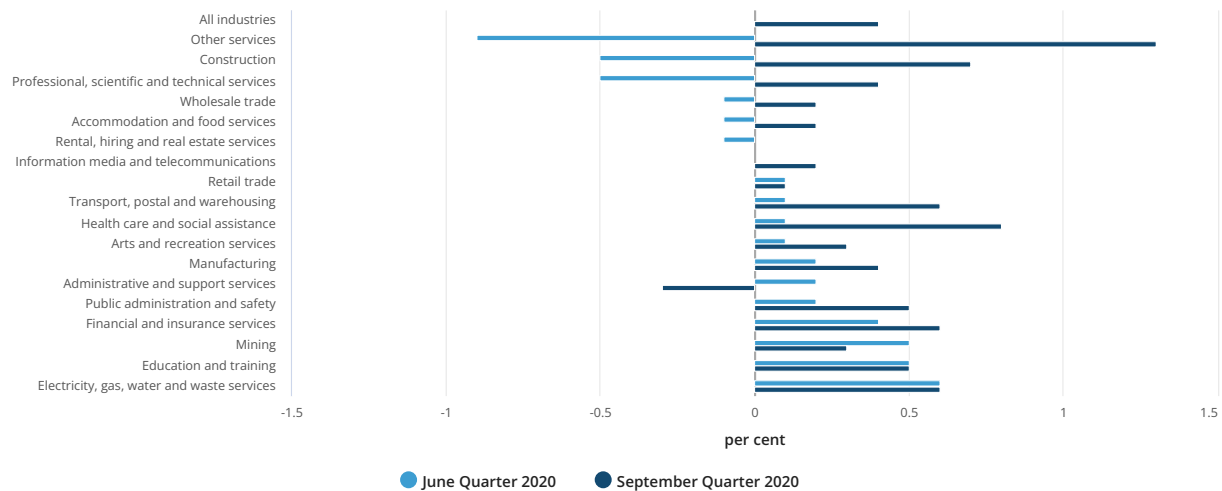
"Organisations continued to adjust to the economic uncertainty, recording fewer end of financial year wage reviews and delaying enterprise bargaining agreement increases. This led to a significantly reduced number of jobs recording wage rises when compared to previous September quarters.

"Additionally, the staggered implementation schedule of the Fair Work Commission annual wage review moved some regular September quarter wage rises to later quarters."

In original terms, wages rose 0.4% in September quarter 2020. Private sector wages rose 0.5%, and the public sector rose 0.4%. Contributions to the growth in private sector wages came mostly from full or partial restoration of wages following wage reductions in June quarter 2020. However, the wage growth was mixed as specific COVID-19 restriction impacted states and businesses across Australia differently.

The largest rise this quarter was in the Other services industry (1.3 per cent), following a significant fall in June (-0.9 per cent), while the Administrative and support services industry recorded a fall (-0.3 per cent).

## WPI, quarterly change (original)



Annual wage growth to the September quarter 2020 ranged from 0.5 per cent for the Accommodation and food services and Administrative and support services industries to 2.4 per cent for the Financial and insurance services and Education and training industries.

South Australia again recorded the highest through the year growth of 1.8 per cent. Victoria recorded the lowest wage growth (1.2 per cent).

Mr Tomadini added: "September quarter 2020 covers the period when COVID-19 restrictions were impacting parts of Victoria but had started to ease across the majority of other states and we can see the impacts of this in the data."

The ABS would like to thank businesses for continuing to respond to our surveys during these difficult times.

Further information is available in [Wage Price Index, Australia \(http://www.abs.gov.au/ausstats/abs@.nsf/mf/6345.0\)](http://www.abs.gov.au/ausstats/abs@.nsf/mf/6345.0) available for free download from the ABS website: <http://www.abs.gov.au/> (<http://www.abs.gov.au/>).

## Media notes

- The Wage Price Index captures changes in price (in hourly wages and salaries paid) of a job, and not the occupant of that job. As such JobKeeper payments to eligible employees falls out of scope of the Wage Price Index. Further details can be found in Measuring the Wage Price Index during the COVID-19 pandemic.

<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/1359.0Main%20Features15Jun%202020?opendocument&tabname=Summary&prodno=1359.0&issue=Jun%202020&num=&view> (<https://www.abs.gov.au/AUSSTATS/abs@.nsf/Latestproducts/1359.0Main%20Features15Jun%202020?opendocument&tabname=Summary&prodno=1359.0&issue=Jun%202020&num=&view>)

- When reporting ABS data you must attribute the Australian Bureau of Statistics (or the ABS) as the source.
- The Wage Price Index publishes estimates of the change in hourly rates of pay, unaffected by compositional shifts in the labour force, hours worked, or employee characteristics.
- For media requests and interviews, contact the ABS Media Team via [media@abs.gov.au](mailto:media@abs.gov.au) (<mailto:media@abs.gov.au>) (8.30am-5pm Mon-Fri).
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